

# Scholarship Awards Contract

If your child wins college scholarship money in a tournament/program, here are the terms:

1. The money is awarded to student upon entrance into college or another school of higher learning after graduation from high school. Entrance is defined as showing proof to Joe Hanley of a college/university/higher school of learning (trade school) course class page.
2. Money is sent in a check only in the name of the student.
3. Money is to be used for any college/university/higher school of learning expenses. The money is not to be used for any other reason.
4. The amount of money is the exact amount as was won in the tournaments or HCA program. It will not include any appreciation nor depreciation.
5. All award money will be held by Joe Hanley until being awarded.
6. An agreement will need to be signed by the parent or legal guardian of the student at the time of winning the scholarship money. A copy will be given to the parent/legal guardian with these terms and the amount of that scholarship award.
7. In the case of death to Joe Hanley before being awarded the money, the money will be awarded by said person appointed by Joe Hanley. In the case of death to the student who won the award, the money will be retained by Joe Hanley.
8. Scholarship awards will expire if said student has not enrolled in college/higher school of learning by the age of 25.

\_\_\_\_\_/\_\_\_\_/\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_  
Student Name                      Birth Date                      Award (\$)                      Date Won                      Event Name

\_\_\_\_\_/\_\_\_\_/\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_  
Joe Hanley/CEO                      Date                      Signature of Parent/Legal Guardian                      Date

\_\_\_\_\_/\_\_\_\_/\_\_\_\_      \_\_\_\_\_  
Daniel Beingessner/Chief Financial Officer                      Date

# **GENERAL AGREEMENT**

## **GOVERNING LAW**

**(a) Choice of Law.** The laws of the state of California govern this agreement (without giving effect to its conflicts of law principles).

**(b) Choice of Forum.** Both parties consent to the personal jurisdiction of the state and federal courts in Orange County, California.

**(c) Attorneys' Fees.** If either party employs attorneys to enforce any rights arising out of or relating to this agreement, the losing party shall reimburse the prevailing party for its reasonable attorneys' fees and costs.

## **SEVERABILITY**

If any one or more of the provisions contained in this agreement is, for any reason, held to be invalid, illegal, or unenforceable in any respect, that invalidity, illegality, or unenforceability will not affect any other provisions of this agreement, but this agreement will be construed as if those invalid, illegal, or unenforceable provisions had never been contained in it, unless the deletion of those provisions would result in such a material change so as to cause completion of the transactions contemplated by this agreement to be unreasonable.

## **WAIVER**

No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this agreement will be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy will be deemed a waiver of any other breach, failure, right, or remedy, whether or not similar, and no waiver will constitute a continuing waiver, unless the writing so specifies.

## **ENTIRE AGREEMENT**

This agreement constitutes the final agreement of the parties. It is the complete and exclusive expression of the parties' agreement with respect to the subject matter of this agreement. All prior and contemporaneous communications, negotiations, and agreements between the parties relating to the subject matter of this agreement are expressly merged into and superseded by this agreement. The provisions of this agreement may not be explained, supplemented, or qualified by evidence of trade usage or a prior course of dealings. Neither party was induced to enter this agreement by, and neither party is relying on, any statement, representation, warranty, or agreement of the other party except those set forth expressly in this agreement. Except as set forth expressly in this agreement, there are no conditions precedent to this agreement's effectiveness.

## **EFFECTIVENESS**

This agreement will become effective when all parties have signed it. The date this agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature) will be deemed the date of this agreement.

## **INDEPENDENT CONTRACTOR'S AGREEMENT**

### **INDEMNIFICATION**

**(a) Of the American Youth Chess Foundation by the Parent of the Student Winning The Scholarship.** At all times after the effective date of this agreement, the **Parent of the Student Winning The Scholarship** shall indemnify the **American Youth Chess Foundation** and its officers and Board of Directors (collectively, the "Company Indemnitees") from all damages, liabilities, expenses, claims, or judgments (including interest, penalties, reasonable attorneys' fees, accounting fees, and expert witness fees) (collectively, the "Claims") that any Company Indemnitee may incur and that arise from:

(i) the **Parent of the Student Winning The Scholarship** gross negligence or willful misconduct arising from the **Parent of the Student Winning The Scholarship** carrying out their obligations under this agreement;

(ii) the **Parent of the Student Winning The Scholarship** breach of any of their obligations or representations under this agreement; or

(iii) the **Parent of the Student Winning The Scholarship** breach of their express representation that the **Parent of the Student Winning The Scholarship** is an independent contractor and in compliance with all applicable laws related to work as an

independent contractor. If a regulatory body or court of competent jurisdiction finds that the the **Parent of the Student Winning The Scholarship** is not an independent contractor or is not in compliance with applicable laws related to work as an independent contractor, based on the the **Parent of the Student Winning The Scholarship** own actions, the the **Parent of the Student Winning The Scholarship** will assume full responsibility and liability for all taxes, assessments, and penalties imposed against the the **Parent of the Student Winning The Scholarship** or the **American Youth Chess Foundation** resulting from that contrary interpretation, including taxes, assessments, and penalties that would have been deducted from the the **Parent of the Student Winning The Scholarship** earnings if the **Parent of the Student Winning The Scholarship** had been on the **American Youth Chess Foundation** payroll and employed as a **American Youth Chess Foundation** employee.

**(b) Of the Parent of the Student Winning The Scholarship by the American Youth Chess Foundation.** At all times after the effective date of this agreement, the **American Youth Chess Foundation** shall indemnify the **Parent of the Student Winning The Scholarship** and assigns (collectively, the **"Contractor Indemnitees"**) from all Claims that the Contractor Indemnitees may incur arising from:

- (i) the **American Youth Chess Foundation** operation of its business;
- (ii) the **American Youth Chess Foundation** breach or alleged breach of, or its failure or alleged failure to perform under, any agreement to which it is a party; or
- (iii) the **American Youth Chess Foundation** breach of any of its obligations or representations under this agreement. However, the **American Youth Chess Foundation** is not obligated to indemnify the **Parent of the Student Winning The Scholarship** if any of these Claims result from the **Parent of the Student Winning The Scholarship** own actions or inactions.

**WAIVER**

No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this agreement will be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy will be deemed a waiver of any other breach, failure, right, or remedy, whether or not similar, and no waiver will constitute a continuing waiver, unless the writing so specifies.

**ENTIRE AGREEMENT**

This agreement constitutes the final agreement of the parties. It is the complete and exclusive expression of the parties' agreement about the subject matter of this agreement. All prior and contemporaneous communications, negotiations, and agreements between the parties relating to the subject matter of this agreement are expressly merged into and superseded by this agreement. The provisions of this agreement may not be explained, supplemented, or qualified by evidence of trade usage or a prior course of dealings. Neither party was induced to enter this agreement by, and neither party is relying on, any statement, representation, warranty, or agreement of the other party except those set forth expressly in this agreement. Except as set forth expressly in this agreement, there are no conditions precedent to this agreement's effectiveness.

**ARBITRATION**

Arbitration All claims and disputes arising under or relating to this Agreement are to be settled by binding arbitration in the state of California or another location mutually agreeable to the parties. An award of arbitration may be confirmed in a court of competent jurisdiction.

By my checking of this box, I agree I have read to all terms and conditions in this contract. If I do not understand or need clarification, I will ask for clarification from Mr. Hanley.

_____	____/____/____
Signature of Child Winning Award	Birthdate
_____	____/____/____
Signature of Parent/Legal Guardian	Date
_____	____/____/____
Joe Hanley	Date